

Farm Bill 2002

Grassland Reserve Program in Nevada

Overview

The Grassland Reserve Program (GRP) is a voluntary program that can help Nevada landowners and operators conserve and protect rangeland and pastureland under the threat of conversion to non-agricultural use while maintaining these areas as grazing lands. This program provides for the purchase of easements, offers of long-term rental agreements, and the offering of technical and financial assistance to participants for restoring the functions and values of grazing lands.

Eligible land in Nevada includes native and seeded rangeland and irrigated pasturelands or those lands located in an area that historically has been dominated by grass, forbs, and shrubs, and has potential to provide habitat for animal or plant populations of significant ecological value, if the land is retained in its current use or restored to a natural condition. Incidental lands may be included to allow for the efficient administration of a rental agreement or easement.

There is no maximum limitation on the amount of land that may be offered for the program. However, offers for enrollment must contain at least 40 contiguous acres, unless special circumstances exist to accept a lesser amount. These special circumstances are determined by the NRCS State Conservationist.

All GRP enrollment options permit common cultural and management practices that maintain the viability of the offered land including: grazing; haying; mowing; and, fire rehabilitation and the construction of fire breaks and fences.

The program offers several enrollment options:

Permanent Easement. This is a conservation easement in perpetuity. Easement payments for this option equal the fair market value, less the grazing value of the land encumbered by the easement.

Thirty-year Easement. This is a 30-year conservation easement or an easement for the maximum duration allowed under State or Tribal law. USDA will provide an easement payment equal to 30 percent of the fair market value of the land, less the grazing value of the land for the period during which the land is encumbered by the easement.

Landowners who can provide clear title are eligible to participate for either easement option. The value of an easement is determined through a professional appraisal.

For both easement options, USDA will provide ALL administrative costs associated with recording the easement, including appraisal fees, survey costs, title insurance, and recording fees. USDA will use a standard easement deed. Landowners who participate in an easement option agree to: provide a written statement of consent to the easement from those holding a security interest or any vested interest in the land; provide proof of clear title; comply with other terms of the easement; and, provide access to NRCS or its representative for easement administration and monitoring activities. Payments for both types of easements may be provided, at the participant's request, in a lump sum or as annual payments (equal or unequal amounts) for up to 10 years.

The Commodity Credit Corporation (CCC) holds the easement unless the Secretary of Agriculture

authorizes a private conservation or land trust organization, or State agency, to hold or enforce an easement.

Rental Agreement. Participants may choose a 10-year, 15-year, 20-year, or 30-year contract. USDA will provide annual payments in an amount that is not more than 75 percent of the grazing value of the land covered by the agreement for the life of the agreement. For 2004, grazing values for GRP rental agreements in Nevada are set at \$6.67 per acre. The participant in a GRP rental agreement in Nevada receives 75 percent of this \$6.67 per acre grazing value or \$5.00 per acre. Payments will be disbursed on the agreement anniversary date each year.

Landowners and others who have general control of the offered acreage may submit an application for a GRP rental agreement. Operators may participate in rental agreements only when they provide evidence that they will have control of the property for the length of the agreement and have landowner concurrence.

Restoration Agreement. A restoration agreement is developed when the natural functions and values of the grazing land need to be improved. NRCS, working in conjunction with the conservation district and the participant, determines if a restoration agreement is necessary. The CCC will provide up to 90 percent of the restoration costs on lands that have never been cultivated. Participants will be paid upon certification of the completion of the approved practice(s) by NRCS or an approved third party. Participants may contribute to the application of a cost-share practice through in-kind contributions.

Restoration agreements may be entered into in conjunction with any easement or rental agreement.

GRP contracts and easements prohibit the production of crops (other than hay), fruit trees, and vineyards that require breaking the soil surface and any other activity that would disturb the surface of the land, except for appropriate land management activities included in a conservation plan.

Participants will be required to follow a conservation plan developed by NRCS (or a designated third party) and the participant to preserve the integrity of the offered property. The Adjusted Gross Income provision of the 2002 Farm Bill impacts eligibility for GRP and several other 2002 Farm Bill programs. Individuals or entities that have an average adjusted gross income exceeding \$2.5 million for the three tax years immediately preceding the year the contract is approved are not eligible to receive program benefits or payments. However, an exemption is provided in cases where 75 percent of the adjusted gross income is derived from farming, ranching, or forestry operations.

To participate, interested persons should submit an application to their local NRCS or Farm Service Agency (FSA) office in the local USDA Service Center. Applications may be filed for a GRP easement or rental agreement with NRCS or FSA at any time.

GRP is authorized by the Food Security Act of 1985, as amended by the Farm Security and Rural Investment Act of 2002 (the 2002 Farm Bill). The authorizing language provides for program funding for fiscal years 2002 through 2007.

For More Information

If you need more information about GRP, contact your local USDA Service Center, listed in the telephone book under U.S. Department of Agriculture, or your local conservation district. Information also is available on the World Wide Web at: <http://www.nrcs.usda.gov/programs/farmbill/2002>.



Visit USDA on the Web at:
<http://www.usda.gov/farmbill>